



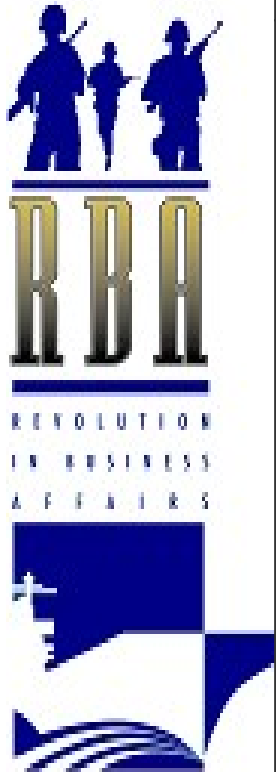
Navy ERP Awareness Brief

Effective Date: 13 May, 2004



Evolution of Navy ERP

Efforts That Established Mission Need



Mandate

- Revolution In Business Affairs & JV 2020 Vision
- Commercial Business Practices (CBP) ESG established
- Give priority to investments that will cut our operating or business costs, such as Enterprise Resource Planning (ERP) and Navy-Marine Corps Intranet (NMCI)

Pilots

- Pilots established 1998
- Directed use of commercial approach
- Goals:
 - Standardize DoN processes
 - Provide an Integrated Enterprise solution that seamlessly supports end-to-end capability
 - Demonstrate ability to provide accurate, consistent, timely financial information from a single source

One Navy Solution

- ASN (RDA) directed convergence of Navy ERP Pilots
- CNO & SECNAV declared support for Convergence to proceed
- Navy ERP PMO Established
- Requirements letter signed by ASN (RD&A) and N4
- Operational Requirements Document Development Initiated

- Manage and track cost drivers

ERP Enables The Navy To Realize Leadership Vision



Scope Of Navy ERP Systems

>34K Active Seats

Pilot	Sponsor	Area(s) of Focus	# of Geographic Sites	# of Users	Stand-Up Date
SIGMA	NAVAIR	Program Management, including linkage among Contracting, Financial, and Workforce Management	GF - 5	6200	Oct 02
			NAWC - 4	14300	Jan 03
CABRILL O	SPAWAR	Warfare Center Management	5	3500	Jul 01
SMART	NAVSUP	National & Local Supply Management, Intermediate-Level Maintenance Management Interface to Aviation Depots	4	440	Jan 03
NEMAIS	NAVSEA/CFFC	Regional Maintenance, including Intermediate-Level Maintenance Management, Project Systems, and Workforce Management	3	5400	Jun 02 - Nov 03
			2	4500	FY 04



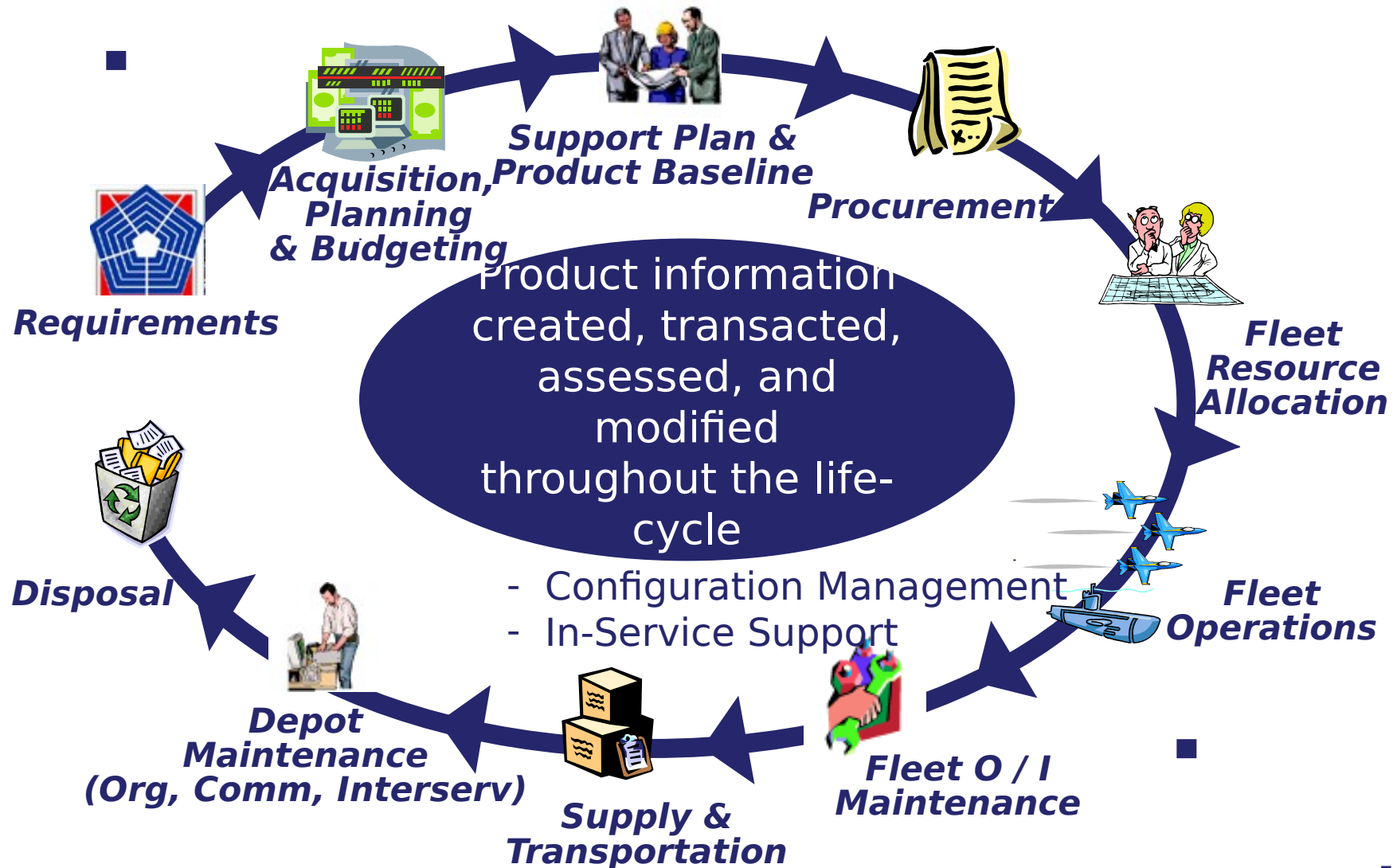
What The Pilots Proved

- ERP can be used to:
 - Operate and manage a major Echelon 2 acquisition command and Echelon 3 subordinate commands (Program Management, Workforce Management, Financial Management, Procurement)
 - Integrate Maintenance and Supply in performance of aviation and ship maintenance, provide visibility of resources across activities and optimize supply chain management
 - Validate compliance with the CFO Act and provide significant reductions in legacy IT and data base systems with resultant cost reductions and data quality / timeliness benefits

No Longer A Question Of “Can We?”



End-To-End Product Management





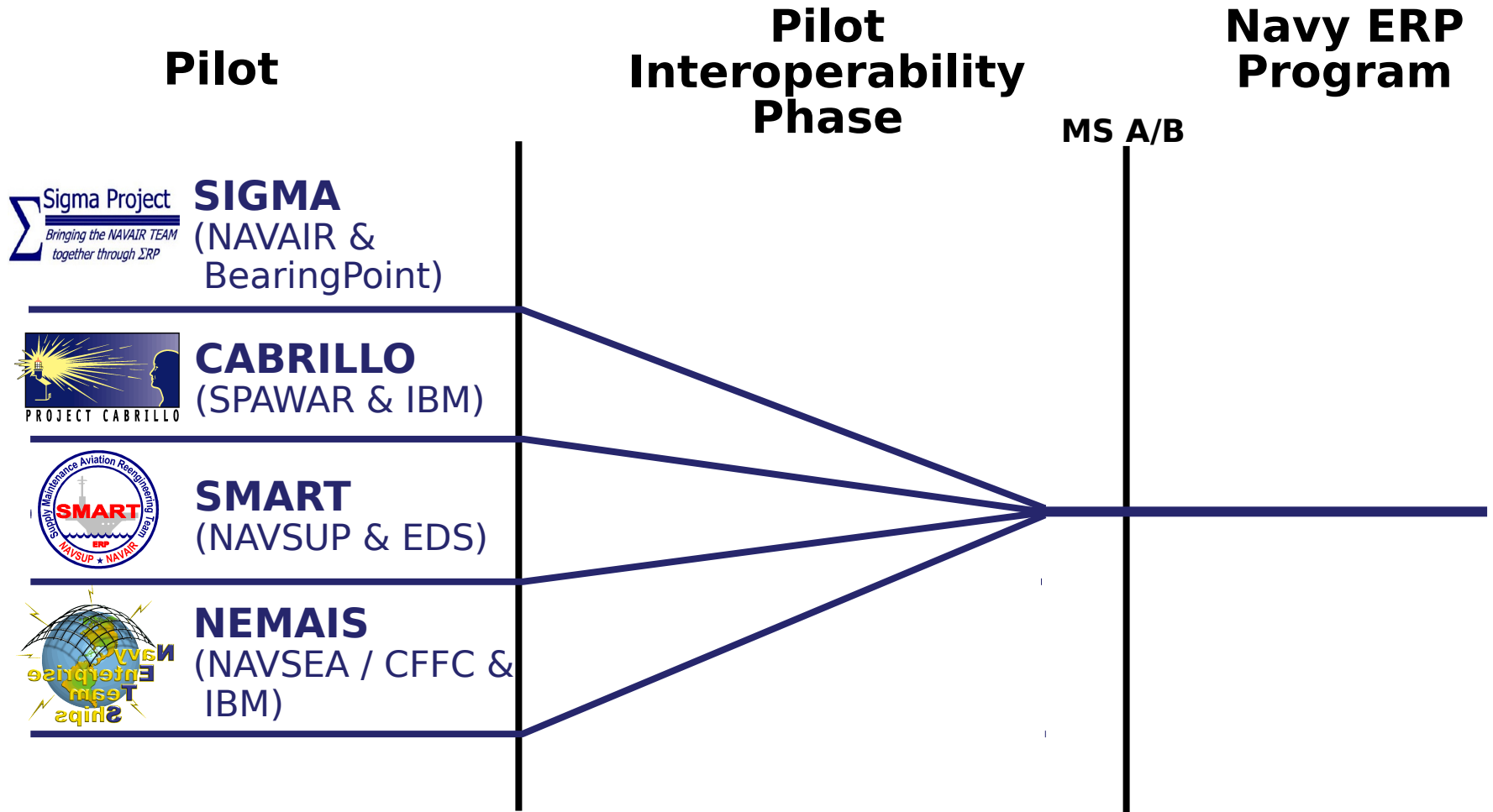
One Program With One Mission



- Navy ERP Mission
 - To reinvent and standardize Navy business processes for acquisition, financial and logistics operations
- Program's Key Objectives
 - Build an integrated financial system that complies with FMEA (Financial Management Enterprise Architecture) requirements for all Navy commands
 - Optimize end-to-end value chains across functional and organizational boundaries
 - Collapse the pilot programs to produce a single product for the Navy
 - Maximize ROI through effective deployments and sequencing of functionality

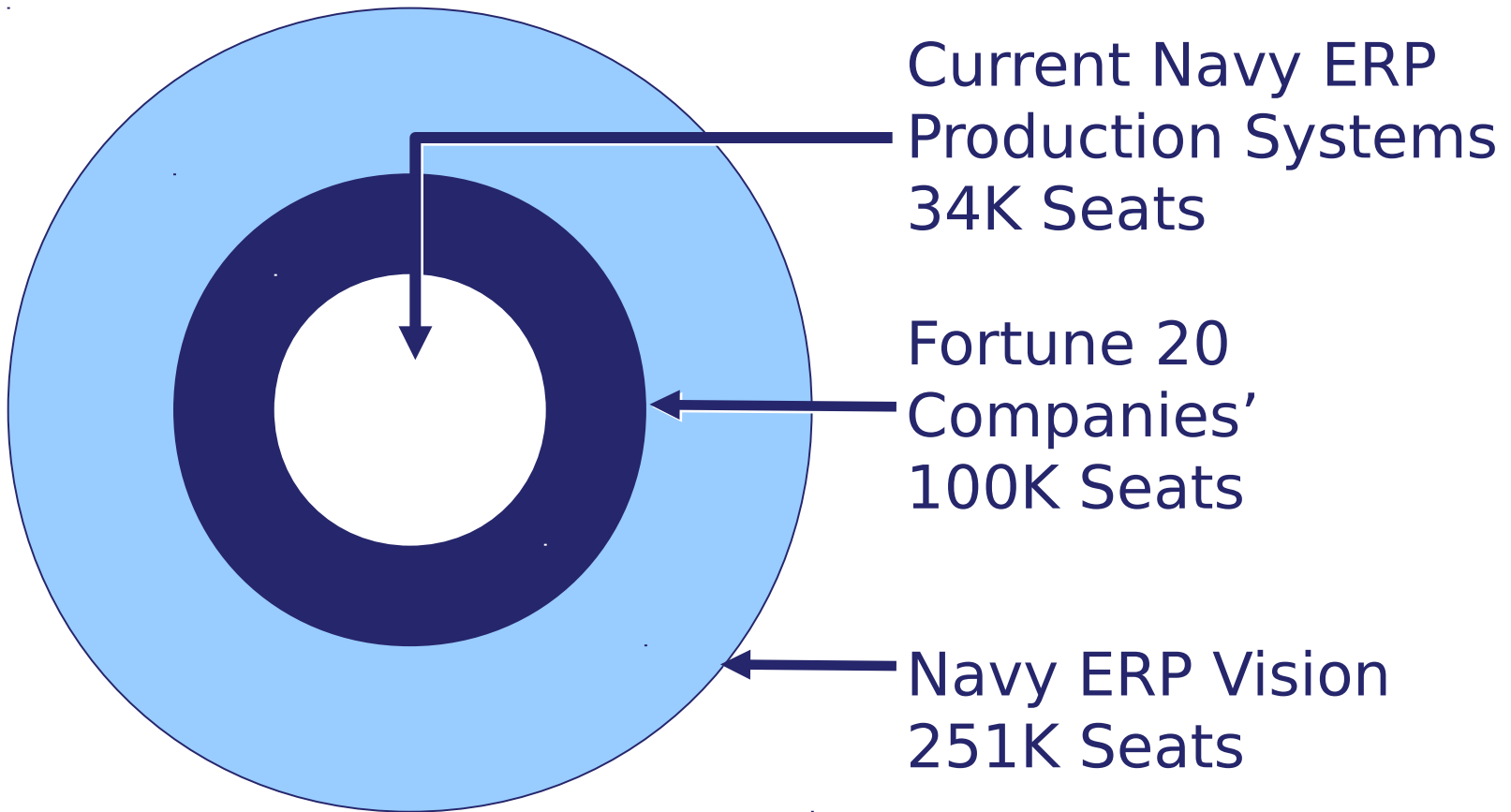


Transition From Pilots To Navy ERP Program





Scope And Complexity Vis-à-Vis Industry





Template 1

Business Functional Scope

- **Finance**
- **Program Management**
- **Workforce Management**
- **Wide Area Work Flow (Interface)**
- **Defense Travel System (Interface)**
- **I-Level Maintenance**
- **Plant Supply**
- **Wholesale Supply / Advanced Planning System**



Summary

- Navy Pilots have proven COTS implementation in a DoD environment
- Navy ERP maximizes efficiency of war-fighter business processes to support critical decision making
 - Integrated solution
 - Aligns with external architectures
 - Common data and business processes
 - A lean architecture
- Milestone A/B on schedule for July